

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Modernizing the E-rate Program for)	WC Docket No. 13-184
Schools and Libraries)	

**COMMENTS OF THE NATIONAL ASSOCIATION OF
TELECOMMUNICATIONS OFFICERS AND ADVISORS**

The National Association of Telecommunications Officers and Advisors (“NATOA”)¹ submits these comments in response to the Notice of Proposed Rulemaking (“NPRM”), released July 23, 2013, in the above-entitled proceeding.

I. INTRODUCTION

We commend the Commission for taking this action to review and further update the E-rate program. By most accounts, the E-rate program has been a great success, bringing our schools and libraries across the country increased access to modern communications networks. Unfortunately, the program is a victim of its own success and of the enormity of the need – there are simply not enough funds to meet current needs, let alone those projected for the future.

NATOA has long advocated for increased high-capacity broadband deployment and adoption, recognizing the significant role that these services can play in boosting economic development, expanding educational opportunities, bringing badly needed telemedicine services to communities lacking adequate medical care, and promoting civil engagement. Indeed, this

¹ NATOA is a national trade association that promotes local government interests in communications, and serves as a resource for local officials as they seek to promote communications infrastructure development.

year NATOA awarded its Community Broadband Visionary of the Year Award to Alberto Carvalho, Superintendent of the Miami-Dade County Public School District, for his efforts to bring advanced communications services to all students in an effort to help bridge the digital divide. Superintendent Carvalho, like NATOA, recognizes that advanced broadband services are not simply a luxury, but a necessity for the youth of today to success on what is now a world economic stage.

II. NATOA SUPPORTS INCREASED FUNDING OPTIONS FOR BROADBAND

NATOA wholeheartedly supports the many other commenters who call for increasing the E-rate cap, currently set at \$2.25 billion, to help ensure that these vital services are made available to all schools and libraries across the country, regardless whether they are located in urban, suburban or rural communities.

Furthermore, we also support calls to create, *in addition to increasing* the current E-rate fund, a one-time, short-term capital investment fund aimed at bringing high-capacity broadband infrastructure to schools and libraries.² While the upfront costs may be significant in constructing new networks to serve schools and libraries, we believe the long-term benefits and, just as importantly, cost savings, clearly tilt the scale in favor of such projects. We are already seeing the benefits of high-capacity bandwidth that the Commission's existing programs and related programs in other agencies (such as the Departments of Commerce and Agriculture) are bringing to communities across the country through the deployment of new or upgraded network miles connecting anchor institutions.

² Comments of the Schools, Health & Libraries Broadband (SHLB) Coalition, WC Docket No. 13-184.

For some communities, such a project may not be politically possible or, even with E-rate funding, economically feasible. But what is important to emphasize is that such an investment fund – which would be available to any public or private entity - would represent an additional option that communities could consider when determining how best to serve the growing needs of their students and residents.

III. MAKING BETTER USE OF CURRENT E-RATE FUNDS

However, being mindful that achieving an increase in E-rate funding or the creation of a new infrastructure investment fund will be difficult in today’s political and financial environment, we also encourage the Commission to continue its work in making the existing program more efficient and effective by streamlining the application process; address the issues of waste, fraud and abuse; and, while recognizing the unique needs of communities across the country, encourage the “smart use” of E-rate funds to deploy high-capacity broadband rather than to support outdated services such as paging, directory assistance, and dial-up services. (At the same time, as is discussed below, we strongly believe that the changes to the E-rate program contemplated by the Commission, including those that will enable new fiber optic construction, will serve in the medium- and long-run to make school and library services more efficient, will reduce per-unit fees, and will protect the E-rate fund over time).

In addition, we note that many of the Recovery Act-funded broadband projects are concluding their construction phases and entering their operations phases, in which they can serve to enable new service and competition to their local communities. The Commission should take the next step and help ensure the use and vitality of these new networks by incentivizing schools and libraries to take advantage of these high-speed, high-capacity systems, in part by strictly enforcing the interconnection and non-discrimination conditions that are so essential to

the emergence of competition in many markets—and that are thereby essential to realizing the benefits of competitive pricing for schools and libraries who take advantage of E-rate.

IV. EQUALIZE FUNDING TREATMENT OF LIT AND DARK FIBER

In 2010, NATOA submitted comments in support of the Commission’s proposal that schools and libraries be permitted to use E-rate funds to lease dark fiber from any entity, including municipal networks - a proposal that was subsequently adopted in the *Schools and Libraries Sixth Report and Order*. We believed then, as we still do today, that dark fiber may provide schools and libraries with the most cost-effective means by which to achieve their broadband goals.³ To build on this concept, we urge the Commission to adopt its proposal to “provide priority one support for the modulating electronics necessary to light leased dark fiber.”⁴ Such support should include special construction charges as the rules currently provide for lit fiber, including “design and engineering costs, project management costs, digging trenches and laying fiber.”⁵

It is clear that dark fiber may be a cost-effective means by which schools and libraries can address their advanced communications needs. However, without the financial resources to “light” such fiber, many anchor institutions are unable to take advantage of the many benefits dark fiber can provide, including end user control over the network.

We urge the Commission to equalize the treatment of both lit and dark fiber services by making dark fiber electronics and construction costs eligible for priority one E-rate funding.

³ Comments of the National Association of Telecommunications Officers and Advisors (NATOA), the National Association of Counties, and the New America Foundation’s Open Technology Initiative, CC Docket No. 02-6 and GN Docket No. 09-51.

⁴ *In the Matter of Modernizing the E-rate Program for Schools and Libraries*, Notice of Proposed Rulemaking, WC Docket No. 13-184 (rel. Jul. 23, 2013) (“NPRM”), at ¶ 71.

⁵ Id. at ¶ 72.

Without such support, many anchor institutions are unable to make use of dark fiber, which has the strong potential of providing better services at lower costs. Indeed, in NATOA's experience, the construction of dark fiber networks enables medium- and long-term savings that are substantial, as the community realizes the financial benefits of the upfront investment and the operational benefits of fast, flexible increases in services and speeds.

Among NATOA's members are communities that have built fiber connections to their schools and libraries over time and now provide services to the schools and libraries among other public entities. Many of these communities have found that the operational costs of serving the schools and libraries are a small fraction of what they would be were the fiber not available; indeed, many of them decline to utilize the E-rate program because their operating costs are so low that E-rate is not of benefit.

NATOA believes that the emergence of new fiber platforms, combined with competition, will enable these kinds of efficiencies to emerge over time in more places, to the benefit of both the communities and the long-term viability of the E-rate fund.

We further note that by allowing better use of dark fiber, the Commission could increase the ability of local, regional, and state network aggregation that will increase efficiency. And since dark fiber may be provided by any entity, this proposed change does not favor any provider over another.

But while some may argue that there will be instances where dark fiber will not be an economically efficient use of E-rate funds, this does not mean that schools and libraries should not have the *option* to do so. As we have stated before, "this determination can most accurately be made by the school or library that seeks to use E-rate funding."

In the long run, the ability to use E-rate funds to “light” dark fiber will increase high-capacity service options and may very well decrease future funding demands on the program.

V. CONCLUSION

NATOA strongly believes that further Commission reform and updates to the E-rate program continue with its focus on broadband and increased funding capacity to ensure the availability of high-bandwidth services to schools and libraries.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "S. Traylor".

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